

*2012*  
*DAVID PACKARD EXCELLENCE IN ACQUISITION*  
*AND*  
*BETTER BUYING POWER EFFICIENCY*  
*AWARDS CEREMONY*



*NOVEMBER 2, 2012*



**Message from the Under Secretary of Defense  
for Acquisition, Technology and Logistics**



On behalf of our Secretary of Defense, the Honorable Leon E. Panetta, welcome to the 2012 David Packard Excellence in Acquisition and Better Buying Power Efficiency Awards Ceremony. The Packard Award recognizes organizations and teams that have demonstrated superior program management and accomplishment in the successful execution of one or more of the Better Buying Power (BBP) efficiencies and associated initiatives. The Better Buying Power Efficiency Award, which is new this year, recognizes others who have also achieved BBP efficiencies worthy of high recognition.

We are truly honored to have Secretary Panetta host today's ceremony. His presence is an indication of how extremely important these BBP initiatives are to the Department and how personally committed he is to institutionalizing them within our culture.

The significant achievements of our two Packard award winners, Project Manager Combat Ammunitions Systems and DDG 51 Shipbuilding Program Office, along with our BBP Efficiency award winner, the Acquisition Rapid Response Medical Team for Tactical Combat Casualty Care and Casualty Evacuation team, are proof of the tremendous strides we've made in changing how we do business to obtain greater efficiency and productivity in defense spending. Each of these three teams took this mandate to heart, with the taxpayers and our Warfighters the true beneficiaries of their outstanding efforts.

Congratulations to the winners as well as all the nominees for these prestigious awards. The people we are recognizing here today are the cream of the crop, but we are also blessed with many more outstanding professionals dedicated to our mission and contributing to our national security.

A stylized, handwritten signature in black ink, appearing to read 'Frank Kendall'.

Frank Kendall



## Acquisition Awards Ceremony

November 2, 2012

### National Anthem

*Welcome*

**The Honorable Frank Kendall**  
Under Secretary of Defense  
for Acquisition, Technology and Logistics

*Remarks*

**The Honorable Leon E. Panetta**  
Secretary of Defense

### Presentations

*Light refreshments will be served immediately after the ceremony*



## USD(AT&L) David Packard Excellence in Acquisition

*The David Packard Excellence in Acquisition Award was established to recognize organizations, groups, and teams who have demonstrated exemplary innovation using best acquisition practices that achieve acquisition excellence in the Department of Defense. It is the Department's highest acquisition team award and was first awarded in 1997 in honor of David Packard, a former Deputy Secretary of Defense during the Nixon Administration. Mr. Packard was also the co-founder and chairman of the Hewlett-Packard Company and chairman of the President's Blue Ribbon Commission on Defense Management chartered by Ronald Reagan in 1985. He founded the Defense Systems Management College in 1971 and was a strong advocate of excellence in the defense acquisition practices.*

## **David Packard Excellence in Acquisition Award**

The criteria for the David Packard Excellence in Acquisition award was modified this year to recognize teams that have demonstrated superior program management and accomplishment in the successful execution of one or more of the Better Buying Power efficiencies and associated initiatives. The principles of exemplary innovation using best acquisition practices, which are reflected in the Better Buying Power initiatives, remain essential to the Packard Award.

The specific Better Buying Power efficiency areas and associated initiatives are as follows:

### **Targeting Affordability and Controlling Cost Growth**

- Practicing affordability as a requirement
- Constraining cost by the maximum allocated resources across the phases of the program life cycle and demonstrating application of systems engineering trade-off analysis to reduce costs
- Driving productivity growth through Will Cost/Should Cost management
- Eliminating unneeded costs, with demonstrated savings
- Eliminating redundancies (within warfighter portfolios, across joint programs, or internal to a program where multiple programs were pursuing similar objectives) to achieve savings
- Achieving stable and economical production rates to ensure cost savings
- Managing program timelines to shorter schedules, and consistent with requirements
- Addressing schedule as an independent variable
- Delivering the right capability to the warfighter when they need it through creative, adaptable and flexible strategies

### **Incentivizing Productivity & Innovation in Industry**

- Rewarding contractors for successful supply chain management
- Effectively implementing the use of Fixed Price Incentive Fee contract types where appropriate to prevent cost overruns
- Effectively employing other innovative contracts and award/incentive fee structures that result in best value to the government
- Capitalizing on innovative progress payment structures that have incentivized contractor performance

### **Promoting Real Competition**

- Demonstrating innovative, competitive strategies at a program milestone(s) to drive productivity
- Removing obstacles to competition
  - Allowing reasonable times for competitive bids to reduce single bids
  - Negotiating single offers based on cost or price analysis
  - Enforcing open system architectures and acquiring technical data rights to ensure sustained competition
- Effectively seeking and utilizing small business opportunities

### **Improving Tradecraft in Acquisition of Services**

- Preventing requirements creep through effective upfront definition of requirements utilizing standard templates in the development of Performance Work Statements
  - Effectively utilizing market research data to attain the most appropriate pricing within the market

- Effectively employing Cost Plus Fixed Fee / Cost Plus Incentive Fee type contracts when robust competition does not exist
- Incentivizing cost improvements over the period of performance
- Effectively seeking and utilizing small business opportunities

### **Reducing Non-Productive Processes and Bureaucracy**

- Reducing the frequency of internal program reviews
- Eliminating low value-added internal processes
- Reducing the volume of program documentation and accelerating program investment decisions
- Reducing non-value added requirements imposed on industry
- Using Forward Pricing Rate Recommendations (FPRRs) to reduce administrative costs

The Better Buying Power Efficiency Award, which is new this year, recognizes others who have also achieved BBP efficiencies worthy of high recognition.

## **2012 David Packard Award Winner**



*The Project Manager Combat Ammunition Systems Team* is presented the David Packard Excellence in Acquisition Award for its innovative ability to establish and implement a highly efficient buying approach that delivers cost effective ammunition to the Warfighter. In direct response to an increased need for artillery and mortar items, the team developed a multiple award, indefinite delivery/indefinite quantity (IDIQ), 100% small business set-aside, best value strategy for recurring production of ammunition. Although IDIQ contracting is not new, their implementation was. Extensive market research identified all program requirements eligible to be set-aside for small businesses. This unique approach enhanced small business participation by providing the opportunity to bid on only those items that they were capable of producing--a shift from normal procurement procedures whereby contractors were required to propose on all items. A single acquisition strategy was successfully implemented for the procurement of 53 artillery and mortar components totaling \$2.7B and included significant room for both surge and Foreign Materiel Sales requirements. This new multiple award IDIQ contract structure allowed the team to compete individual requirements, minimize unit cost, and maximize competition and quantity delivered by encouraging vendors to reduce their proposed prices in delivery order competitions. Benefits of the simplified approach are reduced administrative costs (government and contractor) and shorter timelines to award. The average time from receipt of a requirement to delivery order award is now within 45-60 days (compared to the previous 18-24 months). The outcome of this innovative acquisition strategy was the establishment of a highly competitive, flexible, efficient buying approach within the small business community that can deliver cost effective ammunition to the Warfighter.



## 2012 David Packard Award Winner



*The DDG 51 Shipbuilding Program Office* is presented the David Packard Excellence in Acquisition Award for their success in conducting an innovative competition to procure three DDG 51 Class Guided Missile Destroyers (DDG 114-116). In 2009, the Navy agreed to allocate the FY10 and FY11 DDG 51s to two shipbuilders while truncating the DDG 1000 Program. After extended sole source negotiations resulted in unacceptable pricing from both shipbuilders, the team obtained Assistant Secretary of the Navy (Research, Development & Acquisition) (ASN (RDA)) concurrence to modify the Acquisition Strategy. In less than 90 days, the team developed and obtained approval for the Acquisition Strategy, Class Justification & Approval (J&A), and then issued Request for Proposals. These actions resulted in competitive Fixed Price Incentive Firm contracts for DDG 114 and DDG 115, as well as a priced option for the FY12 DDG, exemplifying Better Buying Power initiatives. The team set a short timeline and adhered to it while incentivizing Industry productivity. The team combined an innovative strategy, Profit Related to Offers (PRO), with other contract provisions, including sharelines and ceiling values, to obtain true competition while sustaining the shipbuilding industrial base. The team accomplished this effort less than six months from the decision to compete to contract award, while satisfying all procurement regulations and policy and utilizing the newly implemented Enterprise Resource Planning (ERP) system in the award process. This competitive procurement resulted in savings of \$298M to the Navy across these three ships and established the conditions for PRO for the follow-on FY13-17 Multi-Year Procurement for DDG 51 Class ships.

## 2012 Better Buying Power Award Winner



*The Acquisition Rapid Response Medical Team* is awarded the Better Buying Power Efficiency Award for their innovative development of a new Casualty Evacuation System (CASEVAC). This system offers a multitude of pioneering capabilities to attend to casualties under a variety of conditions on the battlefield. The team led the way in developing and widely fielding a comprehensive, modularly configured CASEVAC set, enabling ground units to gain access to and recover casualties from a variety of locations; provide innovative, life-saving medical treatments at the point of injury to stabilize the casualty; and provide mobility to deliver a casualty from a remote, inaccessible area to an air or ground extraction platform for transport to a field medical hospital. In doing so, the team implemented many of the key tenets of Better Buying Power, controlling costs by combining developmental and operational testing to compress normal acquisition cycle times and greatly reduce life cycle costs; working closely with small business to develop new, award winning medical devices that were a key part of the CASEVAC sets; promoting competition by orienting industry with current capability shortfalls and then awarding a best value, Indefinite Delivery, Indefinite Quantity contract to small business; and locking in requirements early in the process that were hinged to battlefield lessons learned. Their efforts resulted in improved life-saving medical treatment capabilities for the Special Operations Forces community, filling critical capability gaps.

## Previous David Packard Award Winners 2011–2008

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### 2011

**5.56mm M855A1 Enhanced Performance Round Integrated Produce Team**  
(U.S. Army)

**PM Stryker Double V Hull**  
(U.S. Army)

**Personal Signature Management Jointly Integrated Acquisition Task Force Team**  
(USSOCOM)

**V-22 Cost per Flight Hour Reduction Team**  
(U.S. Navy)

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### 2010

**The Combined Enterprise Regional Information Exchange System-International Security Assistance Force (CX-I) Team**  
(U.S. Army)

**The F-35 Radar Electronic Protection (EP) Team**  
(U.S. Navy)

**The Aegis Readiness Assessment Vehicle Team**  
(Missile Defense Agency)

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### 2009

**Mine Resistant Ambush Protected All Terrain Vehicle Source Selection Evaluation Board**  
(U.S. Army)

**Project Manager – Mobile Electric Power**  
(U.S. Army)

**PMS 408 Joint Counter Radio-Controlled Improvised Explosive Device Warfare**  
(U.S. Navy)

**708th Armament Systems Group**  
(U.S. Air Force)

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### 2008

**Joint Mine Resistant Ambush Protected Vehicle Program**  
(U.S. Air Force)

**Virginia Class Submarine Program**  
(U.S. Air Force)

**Standoff Precision Guided Munition Quick Reaction Capability Team**  
(USSOCOM)

**Electronic Countermeasures Team**  
(USSOCOM)

## Previous David Packard Award Winners 2007–2004

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### 2007

**The Mobile Electric Power Integrated Product Team of Marine Corps Systems Command**  
(U.S. Marine Corps)

**The Ohio Class SSGN Conversion, Delivery, Modernization, and Test Team**  
(U.S. Navy)

**The Defense Energy Support Center's (DESC) Operation Iraqi Freedom (OIF) Bulk Helium Support Team**  
(Defense Logistics Agency)

**The Government Fuel Card Program Team**  
(Defense Logistics Agency)

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### 2006

**The Office of Project Manager, Close Combat Systems (PM CCS)**  
(U.S. Army)

**Project Manager, Infrared Countermeasures (PM IRCM)**  
(U.S. Army)

**The EA-6B Improved Capability (ICAP) III and EA-18G Program Teams**  
(U.S. Navy)

**Defense Energy Support Center Hydrazine Acquisition Team**  
(Defense Logistics Agency)

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### 2005

**44mm Grenades Team**  
(U.S. Army)

**The Joint Standoff Weapons (JSOW) IPT**  
(U.S. Navy)

**Deployable Joint Command and Control Program Team**  
(U.S. Navy)

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### 2004

**B-2 Total System Support Partnership Team**  
(U.S. Air Force)

**The 374th Contracting Squadron Government Purchase Card Team**  
(U.S. Air Force)

**Department of Defense EMALL Team**  
(Defense Logistics Agency)

## Previous David Packard Award Winners 2003–2000

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**2003**

**Special Operations Craft Riverine (SOCR)**  
(U.S. Special Operations Command)

**Joint Direct Attack Munition (JDAM) Joint Project Office**  
(U.S. Navy/U.S. Air Force)

**Joint Services of Family Decontamination Systems**  
(U.S. Navy)

**Passive Attack Weapon Program Quick Reaction Capability Team**  
(U.S. Air Force)

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**2002**

**Multi-role Anti-armor Anti-personnel Weapon System**  
(U.S. Special Operations Command)

**Theater High Altitude Area Defense Logistics Team**  
(Missile Defense Agency)

**Geosynchronous Lightweight Technology Experiment Program Office**  
(National Reconnaissance Office)

**Pentagon Renovation**  
(Washington Headquarters Services)

**Joint Biological Point Detection System**  
(U.S. Army)

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**2001**

**Small Computer Program**  
(U.S. Army)

**Strategic Sourcing Program Team**  
(Defense Logistics Agency)

**CAD/PAD Program Team**  
(U.S. Navy)

**Joint Surveillance Target Attack Radar (JSTARS) Future Support Team**  
(U.S. Air Force/DCMA/NGC)

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**2000**

**Relay Satellite Team**  
(National Reconnaissance Office)

**Medium Tactical Vehicle Replacement Team**  
(U.S. Army)

**Weapons System MARK 46 Development Team**  
(U.S. Marine Corps)

## Previous David Packard Award Winners 1999–1997

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**1999**

**Evolved Expendable Launch Vehicle (EELV) System Program Office**  
(U.S. Air Force)

**Assault Amphibious Vehicle (AAV) Reliability and Maintainability/  
Rebuild to Standard Team**  
(U.S. Marine Corps)

**Joint Program Office, Biological Defense Portal System Team**  
(U.S. Army)

**Defense Contract Management Command,  
St. Louis Plant Clearance Team**  
(Defense Logistics Agency)

**437th Airlift Wing Hunley Park Housing Renovation Team**  
(U.S. Air Force)

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**1998**

**Advanced Amphibious Assault Vehicle Program Team**  
(U.S. Navy/U.S. Marine Corps)

**Purchase Card Program Team**  
(U.S. Army)

**Integrated Program Management Initiative Joint Team**  
(Office of the Secretary of Defense)

**Attack Submarine Program Office**  
(U.S. Navy)

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**1997**

**The Joint Strike Fighter Program's PM IPT**  
(Office of the Secretary of Defense)

**The Special Operations Forces Intelligence Vehicle PM IPT**  
(U.S. Special Operations Command)

**The Construction Flight Working Group**  
(U.S. Air Force)

**The Multifunctional Information Distribution System Program  
Office's Communications-Computer Systems Integrated Product Team**  
(Office of the Secretary of Defense)





*“As the Department of Defense continues to strive to increase the efficiency with which we support our troops, I continue to be amazed by the tremendous professionalism, ingenuity, and capability of our acquisition workforce who help make this happen.”*

Frank Kendall  
Under Secretary of Defense  
for Acquisition, Technology and Logistics

